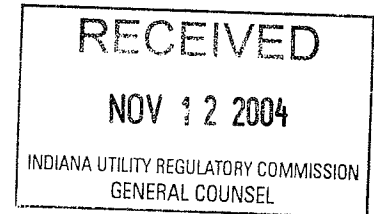


PSI ENERGY, INC. INITIAL COMMENTS
IURC NOTICE OF PROPOSED RULEMAKING 04-02,

LSA DOCUMENT #04-144

(170 I.A.C. 4-1.2 *et seq.*)

NOVEMBER 12, 2004



I. INTRODUCTION

On September 1, 2004, Indiana Utility Regulatory Commission ("Commission") issued its Notice of Proposed Rulemaking ("NOPR") addressing Customer Rights and Responsibilities for Electric, Gas, Water, Telephone, and Sewage Disposal Companies.¹ The Commission proposes several significant changes to the provisions concerning customer rights and responsibilities, including but not limited to customer deposits, establishment of credit, and disconnection procedures. PSI Energy, Inc. ("PSI") appreciates the opportunity to comment upon the proposed rules and respectfully submits the following comments specifically addressing the Commission's proposed rulemaking concerning Electric Customer Service Rights and Responsibilities embodied in 170 I.A.C. 4-1.2 *et seq.*

While PSI recognizes there may be a need for a general update of these rules, several of the changes as proposed would cause unnecessary increased

¹ 170 IAC 4-1.2 *et. seq.*, 170 IAC 5-1.2 *et. seq.*, 170 IAC 6-1.2 *et. seq.*, 170 IAC 7-1.2 *et. seq.*, and 170 IAC 8.5-2-1 *et. seq.*, respectively.

costs, increased uncollectible expenses, and unintended negative consequences.

It is for this reason that PSI believes the best forum for making wholesale changes to the rules governing the relationship between the utility and its customers is a workshop setting. Such workshops would allow interested parties to present their views openly, and the Commission could benefit from utility experience in these areas. With that backdrop, PSI presents the following comments on the rules, and includes a redlined draft of the rules reflecting changes PSI feels are appropriate and necessary for the interest of PSI and its customers at large.

II. REVISIONS TO RULE 1.2 ELECTRIC CUSTOMER RIGHTS AND RESPONSIBILITIES

A. 170 I.A.C. 4-1.2-3 Creditworthiness guidelines

1. **"Daisy Chaining"**. PSI proposes the addition of a new section, 170 I.A.C. 4-1.2-3 (b), which attempts to deal with an issue that has affected all utilities throughout the state, including PSI. (see Attachment A redline). The issue has been described as "daisy chaining." Essentially, a customer signs up for service, incurs an outstanding balance, and fails to pay. The delinquent account is disconnected for nonpayment of service, or is due to be disconnected for nonpayment of service. At that point, another resident in the same household requests that service be put in his or her name, and seeks to

avoid paying any of the first customer's past due balance. The first customer continues to receive services under the new account created by the other resident. Consequently, the first customer also has no incentive to pay, and often does not pay, the outstanding balance. Such costs increase the uncollectible debt absorbed by other Indiana ratepayers, as such costs are included when Indiana utilities request rate increases. In practice, this situation can be repeated multiple times in spousal relationships, with new roommates, in relocations, or in new residences. In each instance, delinquent customers continue to benefit from Indiana utilities' provision of electric service, while failing to pay past due arrearages. PSI believes that this constitutes fraud and should be grounds for disconnection of service or refusal to institute service until the past due amount is paid.

The proposed rules are not entirely clear on this issue. However, the language proposed as Section 3 (a) (2) (B) precludes a utility from considering past due amounts owed by members of the same household as a determination of the creditworthiness of an applicant, including even the spouse. This is unreasonable because it allows an individual to receive the benefit of utility service, even when such individual owes outstanding bills for service to the utility. While a utility could pursue collection of the amounts owed through a collection agent or through the courts, the most effective means a utility has to

collect amounts owed is the ability to disconnect or refuse to provide service.

The Commission's proposed rules would unreasonably limit that right. For that reason, PSI proposes striking that section, and including a clarifying statement on the daisy chaining issue.

This same issue is addressed in Section 5 (b) and (c). In Section 5 (b), PSI recommends the addition of a statement, Section 5 (b) (4), which would allow disconnection or refusal of service to a member of the household when another member of that household owes an outstanding bill to the utility for the same class of service. PSI recommends a clarifying sentence be added to Section 5 (c) (2) (B), so that it is apparent that fraud has occurred if the delinquent former customer is still living in the premises being served by the utility.

In Section 5 (c) (2) (C), PSI recommends adding the suggested exception to section 5(b) (4). The exception would allow for disconnection on the basis of the delinquent account of another person, when daisy chaining has occurred.

2. **Credit scoring.** In the Commission's proposed Section 3 (b), PSI recognizes and appreciates the Commission's attempt to update the rules to reflect an expansion of commercially accepted alternatives available to utilities to determine creditworthiness. For instance, PSI uses a commercially available credit scoring service which provides a simple, non-discriminatory

method for PSI to determine whether a deposit should be required. Credit scoring is a fair, reasonable, and the industry-accepted practice. Since PSI needs the flexibility to adjust its creditworthiness criteria as circumstances warrant, PSI recommends the deletion of references to “credit score” and “credit scoring system” in the Commission’s proposed Section 3 (b) (1). For this reason, we have also deleted any requirement that the scoring system be included in the utility’s tariff. These changes are minor and are intended to maintain the status quo of present practices in determining creditworthiness, which PSI believes work reasonably well today.

B. 170 IAC 4-1.2-4 Deposits

1. **Deposit Payment Arrangements.** In Section 4 (a) of 170 I.A.C. 4-1.2-4, the Proposed Rule provides that if a deposit is greater than one hundred fifty dollars (\$150), electric utilities must advise applicants or customers simultaneously when making a demand for a deposit that they may pay such deposit in equal installment payments over a period of no fewer than three (3) months. As written, this provision yields an incongruent result for Indiana electric utilities and customers alike by exposing Indiana utilities to increased uncollectible expense.

For example, if the deposit required is five (5) dollars in excess of \$150 dollars, electric utilities must settle for payment of a mere one-third ($1/3^{\text{rd}}$), or

\$51.66, of the deposit needed to establish creditworthiness before beginning service to the customer. Consequently, the Rule unnecessarily exposes Indiana electric utilities to a greater likelihood of increased uncollectibles by not affording them the ability to collect more of the deposit prior to the establishment of service.

To ensure that Indiana electric companies are afforded the ability to minimize credit risks, PSI proposes that language redlined in the attached version of the proposed rules be utilized instead of the language initially proposed by the Commission. This modification provides for an up front payment of \$150 (or the deposit amount owed, whichever is less), before the customer is provided service, with the remainder of any amount owed above the \$150 being due in equal installments over three months. This proposed change by PSI is a positive one for utilities and customers, as it will help to decrease uncollectible expense by requiring deposit payment prior to providing service, and such deposits are often used to off-set amounts owed, but not paid, by the customer in later months.

2. **Guarantor.** In Section 4 (b) of 170 I.A.C. 4-1.2, the Commission proposes written guarantee arrangements. PSI notes that such arrangements have caused problems in the operations of PSI's affiliates in other states. For instance, we have found the process to be cumbersome and unduly

burdensome for the amount of benefit that it adds. However, PSI notes that the proposed rules state that a utility “may elect” to accept a written guarantee “acceptable to the utility within its discretion.” Because PSI reads this section as giving the utility an option as to whether it desires to allow a guarantee generally or in a specific instance, PSI has not proposed any changes to this section.

However, if the Commission would revise this rule to require a utility to accept a guarantee arrangement, PSI would be opposed for the reasons stated above.

PSI does propose one redline comment which attempts to clarify that a guarantee arrangement should “automatically” terminate upon the satisfactory payment of 10 out of 12 consecutive months. Thus, obviating any need to send notice to the guarantor to that effect.

3. **Additional Deposit Required.** In Section 4 (d), the Commission lists the circumstances wherein a utility may require a customer to make a new or additional deposit. The proposed Section 4 (d) (3) provides that an additional deposit can be required when service has been disconnected within the past 45 days. The current rule provides that an additional deposit can be required if service has been disconnected within the past four years. *See* 170 I.A.C. 4-1-15(e) (3). And, in the next paragraph, as well as Section 3 (b) (2), of the proposed rule, the Commission proposes that when service has been disconnected within the past four years, a deposit shall be required prior to

service restoration. PSI is unclear of the intent of the change to 45 days, and the seeming inconsistency in the proposed rule regarding 45 days versus four years. However, PSI submits that the current rule allowing an additional deposit to be required if disconnection for nonpayment has occurred within the last four years is reasonable. A customer can remain a credit risk if they have been disconnected in the last four years. PSI sees no legitimate reason to so greatly restrict the ability of a utility to charge an additional deposit, by restricting the ability of the utility to charge an additional deposit only if the customer was disconnected for nonpayment in the last 45 days. There, of course, may be a compromise time period that is also reasonable, but PSI would submit that compromise period should be much closer to four years than merely 45 days.

Regarding the paragraph of the new rule immediately following Section 4 (d)(3), PSI reads this proposed paragraph as applying specifically to situations when a utility requires a *current* customer to pay an additional deposit. Therefore, PSI was unclear of why the statement requiring such deposit to be paid prior to reconnection of service was included in this section, since such current customer would already be receiving service. If the customer was disconnected, then Section 4 (a) should apply, rather than Section 4 (d), as the customer would then be an applicant for service.

4. Interest on Deposits. The Commission proposes significant changes to the interest on deposit rules in Section 4 (e). Overall, PSI appreciates the change which updates the interest rate owed on deposits each year. However, PSI notes that these changes will cause billing system changes for PSI. One suggested change that should simplify those billing system changes is found in PSI's redlined Section 4 (e)(1). PSI submits that interest on deposits should not begin to accrue until the deposit is paid in full, which could be as long as three months after service has begun.

PSI also proposes that Section 4 (f)(1) be revised to make it clear that a utility can apply a deposit and accrued interest to a customer's account, as opposed to being required to issue a refund check.

The Commission's proposed Section 4 (i) requires a utility to refund the interest on the deposit to the customer at the end of every year of service, in such cases where the deposit has not been returned to the customer. PSI notes that this would be expensive to administer and would not likely result in a large credit to the customer. (*e.g.*, approximately \$4, based on PSI's average residential deposit of \$100.00 at 4% annual interest). Additionally, accumulating the interest on the deposit keeps the deposit current with the rising utility costs. Therefore, PSI proposes to strike this section.

C. 170 I.A.C. 4-1.2-5: Disconnection and Prohibited Disconnections

1. **Disconnection.** In the Commission's proposed Section 5 (b), the Commission lists instances when a utility may disconnect a customer without the customer's request. PSI proposes two clarifying additions. PSI proposes to add Section 5 (b) (3), which provides that a utility can disconnect for failure of a customer to pay a deposit. This is simply a clarification and PSI believes it is consistent with today's practice and the intent of the Commission's proposed rules. PSI also proposes to add Section 5 (b) (4) relating to the daisy chaining issue which is discussed fully above. Additionally, PSI proposes an addition to Sections 5 (c) (2) (B) and (C), to clarify the daisy chaining issue, again, as discussed fully above.

2. **Medical Certification.** Regarding the Commission's proposed changes to the medical certification exception found in proposed Section 5 (c) (1), PSI opposes the proposed change. The proposed rule would allow for a 30 day postponement of disconnection and then an additional 10 day postponement upon the presentation of a medical statement, which states that disconnection of electric service would result in a serious and immediate threat to the health and safety of the customer or household member. The current rule allows for two medical certifications to postpone disconnection for ten days each. PSI feels this is a sufficient exception. To allow 40 days in total

for postponement of disconnection provides the customer an additional two months of service creating added risk and exposure to the company.

3. **Disconnection Notices.** The Commission's proposed Section 5 (e) (2) requires additional information to be included on a customer's disconnect notice. Specifically, items D through F are new requirements. PSI submits that this information contained in Section F, should be provided in the utility's customer pamphlet, as opposed to being included on each disconnect notice. The addition of the proposed statement could require an additional page to the disconnection notice, and referring the customer to the customer pamphlet should provide sufficient notice of the customer's rights.

D. 170 I.A.C. 4-1.2-6: Payment Arrangements and Reconnection of Service

1. **Reconnect Payment Arrangement Rule.** The Commission's proposed rule Section 6 (a) requires, for the first time, utilities to reconnect a customer upon payment of something less than the full amount due the utility. Utilities offer payment arrangements to existing customers as a matter of course. However, when a customer has been disconnected due to non-payment, such customer has already had multiple chances to dispute the bill or make payment arrangements. The Commission's proposed addition of the words "or reconnect the customer" to the payment arrangement section is

problematic. If a utility is required to allow a customer to pay less than what is owed even after such customer has been disconnected, a fundamental change in customer behavior could occur. A customer would be incentivized to do nothing until the customer is disconnected, rather than taking action to resolve a delinquent bill prior to disconnection. The current practice of requiring a disconnected customer to pay all outstanding amounts owed incentivizes a customer to work with the utility before they are disconnected. The proposed rule would increase the number of disconnections and the associated costs, increase the delinquent amount owed, and ultimately increase the utility's uncollectible expense. PSI strongly opposes any requirement to make payment arrangements for the past due debt owed by a disconnected or former customer.

2. **Payment Arrangements.** The Commission's proposed Section 6 (a) revises the payment arrangement rules. PSI proposes a change to the proposed rule by reinstituting the minimum amount of time the utility must allow a customer to pay the outstanding balance, *i.e.*, three months, while allowing a utility and customer to agree on a longer period of time. PSI proposes to delete the other criteria the Commission included in Section 6 (a) (1) and (2) which are intended to help the utility to decide how long the payment arrangement should be. These criteria are difficult to judge, at best, and impossible at worst. A utility is simply not in a position to judge whether a

customer has “just cause” for his or her inability to pay, is able to pay, or the reasons why the debt is outstanding. Rather, a straight forward rule that requires a minimum amount of months to spread the payments over and requires that a utility be nondiscriminatory in its application of the rule is preferable.

Regarding the Commission’s proposed Section 6 (a) (4), PSI proposes that any amendment of a payment arrangement is acceptable only upon the mutual consent of both the customer and the utility. The utility is not in a position to judge whether a customer has had a change in financial position and would therefore be eligible for an amended payment arrangement. Rather, the burden should be on the customer to approach the utility and request an amendment. PSI agrees the utility should be nondiscriminatory and reasonable in its efforts to amend payment arrangements.

3. **The Winter Reconnect Rule.** The Commission’s proposed Section 6 (f) is the most problematic section for Indiana utilities, including PSI. This proposed rule requires a utility to reconnect any customer from December 1 to March 15 upon such customer paying only 20% of what the customer owes and 20% of any deposit required. The remainder of the amount due would be put on a payment arrangement. Again, similar to the reconnect rule discussed above, this rule would fundamentally change customer behavior

in a negative way. As proposed this rule applies to all customers, not merely customers who can demonstrate financial need. Additionally, the rule provides “Notwithstanding any other provision of this rule...”. This language is problematic because there would be no limit on the number of times a customer could be eligible for this; a customer who had defaulted on payment arrangements would be eligible; and presumably the utility could not even require a standard reconnection charge.

Importantly, the financial impact on utilities and their customers in the State is large. Uncollectible expenses of PSI are predicted to increase by millions of dollars annually due to the effect of this proposed rule, in conjunction with the reconnect rule discussed above. Of course, this increased expense affects all utility customers, especially those that don’t take advantage of the rule. Additionally, while the intent of the rule is clearly to assist customers in financial need, the rule as proposed has the potential of harming even those customers. A customer who uses this exception would be put in a situation of large delinquent bills, which the customer would have a very difficult time paying.

PSI submits that this section specifically, and the payment arrangement section generally, are just the types of rules that should be debated in a workshop setting, where the unintended consequences of the rules could be considered. There are clearly ways to limit this proposed winter reconnect rule if

the Commission desires some sort of winter protection for those customers that may need such protection. However, as proposed, the rule is unacceptable. It is bad for utilities, bad for customers, and bad for the State in general.

4. **Survey Requirement.** The Commission's proposed Section 6 (g) requires an annual survey of customers whose electric service was used to provide the primary source of space heating and whose service was terminated for nonpayment where service has not been restored. PSI opposes this section for several reasons. First, it would be expensive and burdensome to implement. PSI does not know which customers use electricity as their primary source of heat, so an actual survey of customers would be required. For the most part, if a building has not had electric service restored, the building is abandoned or has been condemned. Therefore, such a survey would produce little valuable information. Because PSI objects to the winter reconnect rule itself, PSI also objects to the notification of customers about the winter reconnect rule through an annual survey. The expense required to survey customers is disproportionate to any value that may arise from such survey.

E. 170 I.A.C. 4-1.2-8: Customer Complaints to the Utility

Regarding the Commission's proposed Section 8 (d) requirement for a utility to maintain certain written records of complaints, PSI proposes a change to clarify that such records may be maintained in electronic format, such as

electronic notes in the billing system or complaint tracking systems. A requirement to reduce such records to paper format would be extremely costly and inefficient.

F. 170 I.A.C. 4-1.2-10: Estimated Bills

PSI proposes several changes to the proposed estimated bill rule, Section 10. The key issue on estimating a customer's bill is access to the meter. PSI believes an exception is required such that a utility would be permitted to estimate a customer's bill in such instances that a utility is denied or cannot otherwise obtain access to a customer's meter (*i.e.*, meter in the basement, behind a locked fence, *etc.*).

PSI proposes a change to Section 10 (e) so that it is consistent with 170 I.A.C. 4-1-14. An alternative to PSI's proposed redline would be remove section 10 (e) in its entirety, as it is adequately covered by existing rule 4-1-14, which is not proposed to be amended herein.

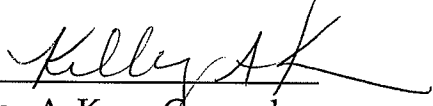
III. CONCLUSION

PSI understands that the Commission wishes to modify the rules in order to ensure that Indiana customers are provided with quality utility services. The Commission has taken steps to accomplish this goal by proposing the aforementioned rules, which establish obligations for both Indiana utilities and customers receiving such services in Indiana. PSI feels that the Commission can

better accomplish its goal by considering the comments provided herein, and setting up workshops where interested parties can debate the proposed rule changes in a collaborative setting. Alternatively, PSI requests the Commission consider its extensive comments and redline suggestions herein, and revise its proposed rule in accordance.

Respectfully Submitted,

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PSI ENERGY, INC. REDLINED PROPOSED RULE 04-02

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TITLE 170 INDIANA UTILITY REGULATORY COMMISSION

Proposed Rule LSA Document #04-144

DIGEST

Adds 170 IAC 4-1.2, 170 IAC 5-1.2, and 170 IAC 6-1.2 to establish new customer service rights and responsibility rules for electric, gas, and water utilities. Amends 170 IAC 7-1.3-2, 170 IAC 7-1.3-3, 170 IAC 7-1.3-8, 170 IAC 7-1.3-9, and 170 IAC 7-1.3-10 regarding telecommunications customer service rights and responsibilities. Amends 170 IAC 8.5-2 regarding sewage disposal service customer rights and responsibilities. Repeals 170 IAC 4-1-15, 170 IAC 4-1-16, 170 IAC 4-1-16.5, 170 IAC 4-1-16.6, 170 IAC 4-1-17, 170 IAC 5-1-15, 170 IAC 5-1-16, 170 IAC 5-1-16.5, 170 IAC 5-1-16.6, 170 IAC 5-1-17, 170 IAC 6-1-15, 170 IAC 6-1-16, and 170 IAC 6-1-17. Effective 180 days after filing with the secretary of state.

170 IAC 4-1-15	170 IAC 6-1-16
170 IAC 4-1-16	170 IAC 6-1-17
170 IAC 4-1-16.5	170 IAC 6-1.2
170 IAC 4-1-16.6	170 IAC 7-1.3-2
170 IAC 4-1-17	170 IAC 7-1.3-3
170 IAC 4-1.2	170 IAC 7-1.3-8
170 IAC 5-1-15	170 IAC 7-1.3-9
170 IAC 5-1-16	170 IAC 7-1.3-10
170 IAC 5-1-16.5	170 IAC 8.5-2-1
170 IAC 5-1-16.6	170 IAC 8.5-2-3
170 IAC 5-1-17	170 IAC 8.5-2-4
170 IAC 5-1.2	170 IAC 8.5-2-5
170 IAC 6-1-15	

SECTION 1. 170 IAC 4-1.2 IS ADDED TO READ AS FOLLOWS:

Rule 1.2. Electric Customer Service Rights and Responsibilities

170 IAC 4-1.2-1 Applicability and scope

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2

Sec. 1. (a) This rule applies to any:

- (1) electric public utility; and**
- (2) rural electric membership corporation;**

that is now, or may hereafter be, engaged in the business of rendering service to the public under the jurisdiction of the commission.

(b) This rule creates the minimum level of service that a utility is expected to meet when providing reasonable quality electric utility services to the public and to establish the obligations of both the utility and the customer.

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(c) No utility shall discriminate against or penalize a customer for exercising any right granted by this rule. If a utility's tariff on file with the commission contains provisions that conflict with this rule, this rule shall supersede any conflicting tariff provisions.

(d) Any utility subject to this rule that fails to meet the standards herein shall be subject to all legal remedies provided by law. Upon complaint or its own motion and after notice and hearing, the commission may order lawful enforcement mechanisms against a public utility that fails to meet the requirements or standards established in this rule. Nothing in this rule shall prevent the commission from exercising any authority it may have under applicable law to enforce this rule in the event any public utility fails to comply.

(e) The adoption of this rule shall in no way preclude the commission, upon complaint by a customer, upon its own motion or upon the petition of any utility or the office of the utility consumer counselor, after notice and hearing, from taking any of the following actions:

- (1) Altering or amending this rule in whole or in part.
- (2) Requiring any other or additional service, equipment, facility, or standard.
- (3) Making such modifications with respect to the application of this rule as may be found necessary to meet exceptional conditions.
- (4) Requiring a utility to comply with any other service standards.
- (5) At its sole discretion, granting, in whole or in part, permanent or temporary waivers from this rule on an expedited basis.

The adoption of this rule shall not in any way relieve any utility from any of its duties under the law of this state or rules and orders of the commission.

(f) If any provision of this rule is determined by competent authority to be prohibited or unenforceable, the provision shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. (*Indiana Utility Regulatory Commission; 170 IAC 4-1.2-1*)

170 IAC 4-1.2-2 Definitions

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2-1; IC 8-1-13

Sec. 2. The following definitions apply throughout this rule:

- (1) "Applicant" means any person or designated agent who seeks to become a customer for residential electric utility service. A customer whose service has been disconnected becomes an Applicant.
- (2) "Commission" means the Indiana utility regulatory commission.
- (3) "Customer" means any person who requests and obtains residential utility service and is responsible for the payment of charges, compliance with filed tariffs, and rules of the utility.
- (4) "Disconnection" means the termination or discontinuance of utility service.
- (5) "Late payment charge" means the one-time penalty assessed by a utility on a customer's account when the account becomes delinquent.
- (6) "Residential service" means electric utility service for household purposes that is billed under a residential rate.
- (7) "Utility" or "public utility" means any public utility (as defined in IC 8-1-2-1) or any rural electric membership corporation (as established by IC 8-1-13) that furnishes electric service to the public under the jurisdiction of the commission.

(*Indiana Utility Regulatory Commission; 170 IAC 4-1.2-2*)

170 IAC 4-1.2-3 Creditworthiness guidelines

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2

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Sec. 3. (a) A utility shall determine the creditworthiness of an applicant or customer in an equitable and nondiscriminatory manner:

(1) without regard to:

- (A) race;
- (B) color;
- (C) creed;
- (D) religion;
- (E) national origin;
- (F) sex;
- (G) marital status;
- (H) receipt of public assistance; or
- (I) the economic character of the area wherein the applicant or customer resides; and
- ~~(2)(J) solely upon the credit risk of the individual applicant or customer without regard to the:~~
 - ~~(A) collective credit reputation of the area in which he or she lives; and~~
 - ~~(B) credit history of any other individual residing in the household or the applicant or customer's spouse.~~

(b) A utility may refuse to provide service to an applicant or customer when such service is being requested for the benefit of a former customer who is indebted to the utility for the same class of service until payment in full of the past due amount owed by the former customer is paid.

~~(bc)~~ A utility may require a residential service applicant or customer to satisfactorily establish his or her financial responsibility (creditworthiness). The utility may require a deposit or other reasonable guarantor to secure payment of bills before providing utility service if the applicant or customer is not deemed creditworthy due to any of the following circumstances:

- (1) The applicant or customer does not meet or exceed ~~the the~~ predetermined minimum credit score creditworthiness criteria selected by the utility, ~~using a credit scoring system as provided in the utility's tariff.~~
- (2) The applicant or customer has failed to pay for past due electric service furnished to him or her at the same or at another address within the past four (4) years.

~~(ed)~~ A bill for one (1) class of service (such as commercial) shall not be transferred to a bill for another class of service (such as residential), nor shall a bill for one (1) form of utility service (such as water) be transferred to a bill for another form of utility service (such as electric). Utility service shall not be denied for nonpayment of bills for merchandise or other nonutility or unregulated services.

~~(de)~~ Utilities shall treat customers who have filed bankruptcy under federal law in accordance with the protective provisions of 11 U.S.C. 366, effective October 22, 1994. (*Indiana Utility Regulatory Commission; 170 IAC 4-1.2-3*)

170 IAC 4-1.2-4 Deposits

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2; IC 32-34-1

Sec. 4. (a) If the applicant or customer fails to establish that he or she is creditworthy under section 3 of this rule, the applicant or customer may be required to make a reasonable deposit. The deposit shall not exceed one-sixth ($\frac{1}{6}$) of the estimated annual billings for regulated utility service at the address at which service is rendered to the applicant or customer and shall be paid in full before establishment of service, subject to the provisions of section 6 of this rule; provided, however, that a deposit shall be based upon estimated regulated electric service charges only. If a deposit is greater than one hundred fifty dollars (\$150), the utility shall advise the applicant or customer simultaneously with making a demand for a deposit that the applicant or customer may pay must pay in full the first \$150 before the establishment of service, with the remainder of ~~the deposit to be paid~~ in equal

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installment payments over a period of no fewer than three (3) months, and service shall be connected upon receipt by the utility of the first \$150 payment. For example, if the total deposit required by a utility under this section is one hundred eighty dollars (\$180), the applicant or customer could make one (1) payment of \$150 and up to three (3) payments of ten (\$10) dollars over a sixty dollars (\$60) over a three (3) month period, if necessary, and service would be connected after the first ~~sixty dollar (\$60)~~ \$150 payment. The applicant or customer shall not be required to make any advanced payments in addition to or in lieu of a deposit required by this rule in order to receive service. An initial deposit made by a customer shall be subject to reevaluation upon the request of either the utility or the customer, based upon actual charges for services rendered, at any time after service has been provided.

(b) The utility may elect to accept a written guarantee, signed by a third party guarantor acceptable to the utility within its discretion, of payment for all utility service rendered or requested to be rendered to the applicant or customer. The guarantor may terminate the guarantee upon thirty (30) days prior written notice. The guarantee shall be in full force and effect up to and including the date the guarantee shall terminate, and the guarantor shall be obligated, as provided in the written guarantee, respecting the payment of the amount of the applicant or customer's bill on the date of termination. A guarantee shall automatically terminate when the customer submits satisfactory payment for a period of ten (10) out of any twelve (12) consecutive months.

(c) If the utility requires a deposit or a written guarantee as a condition of providing service, the utility shall advise the applicant or customer of the reason upon which the utility bases its decision and provide the applicant or customer with an opportunity to rebut the facts and show other facts demonstrating creditworthiness to the extent that such facts clearly show financial responsibility on the part of the applicant or customer.

(d) A utility may require an existing customer to make a reasonable deposit, or an additional deposit in cases where a deposit has been made and exhausted under this rule, under any of the following circumstances:

- (1) The customer has been ~~mailed~~ sent disconnect notices for two (2) consecutive months.
- (2) The customer has been ~~mailed~~ sent disconnect notices for any three (3) months within the preceding twelve (12) month period.
- (3) The service to the customer has been disconnected within the past four (4) years ~~forty-five (45) days~~ for nonpayment.

In such cases, notice of the need for a deposit shall be in writing, and the customer shall be given ten (10) business days from the mailing date of the notice within which to make the deposit. ~~When the service has been disconnected within the past four (4) years under section 5 of this rule, the deposit shall be provided before the service will be reconnected.~~ The total amount of all deposits required for service under this section may not exceed an amount equal to one-sixth ($\frac{1}{6}$) of the annualized estimated billings for regulated utility service to the customer at the address at which service is rendered. The applicant or customer shall not be required to make any advanced payments in addition to or in lieu of a deposit required by this rule.

(e) Requirements for interest upon a deposit shall be as follows:

(1) A deposit held more than thirty (30) days shall earn interest from the date of deposit is paid in full. Beginning on the effective date of this rule, the rate of interest shall be set by the commission based upon the then existing rate for one (1) year United States Treasury Constant Maturity securities. The interest rate shall be rounded to the nearest one-half ($\frac{1}{2}$) of one percent (1%). In December of each year, the commission shall issue a general administrative order establishing the interest rate for the next calendar year that shall be paid on all deposits held during all or part of the subsequent year.

(2) The deposit shall not earn interest after the date it is mailed, transmitted or personally delivered to the customer or otherwise lawfully disposed of as provided in subsection (f)(6).

(f) Requirements for refunds shall be as follows:

(1) Any deposit and accrued interest shall be promptly refunded to ~~applied to the account of the customer~~ without the customer's request when the customer submits satisfactory payment ten (10) out of any twelve (12)

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consecutive months without late payment.

(2) A statement of accounting for each transaction affecting the deposit and interest shall accompany refunds of deposits or accrued interest issued under this section.

(3) Following a customer requested termination of service, the utility shall do the following:

(A) Apply the deposit, plus accrued interest, to the final bill.

(B) Refund any remaining deposit and accrued interest within fifteen (15) business days after final account balance has been satisfied. ~~payment of the final bill.~~

(4) A utility shall maintain a record of each applicant or customer making a deposit that shows the following:

(A) The name of the customer.

(B) The current mailing address of the customer.

(C) The amount of the deposit.

(D) The date the deposit was made.

(E) A record of each transaction affecting the deposit.

(5) Each customer shall be provided a written receipt or billing statement from the utility at the time the customer's deposit is paid in full or any time the customer makes a partial payment. The utility shall provide a reasonable method by which a customer, who is unable to locate his or her receipt, may establish that he or she is entitled to a refund of the deposit and payment of interest thereon.

(6) Any deposit made by the applicant or customer to the utility (less any lawful deductions to be refunded), or any sum the utility is ordered to refund for electric service that has remained unclaimed for one (1) year after the utility has made a diligent effort to locate the customer who made the deposit or the heirs of the customer, shall be presumed abandoned and treated in accordance with IC 32-34-1 et seq.

(g) A deposit, plus accrued interest, may be used by the utility to cover any unpaid balances owed the utility following disconnection of utility service, provided, however, that any surplus be returned to the customer as provided in this section.

(h) A deposit shall not be applied to satisfy an applicant or customer's bill, prior arrearage, or outstanding indebtedness that is greater than four (4) years old; however, a utility may pursue the unpaid balances via collections or other means provided by applicable law.

~~(i) At the end of every year of service, if the deposit plus interest is not refunded to the customer, the utility shall automatically refund the accrued interest on the deposit to the customer by crediting the customer's account and stating this credit clearly on the customer's next regular bill.~~

(j) A customer who fails to pay a bill by the time specified by the regulations of the utility and commission regarding the prompt payment of bills, and who further fails to pay the bill within a reasonable period after presentation of a disconnection of service notice for nonpayment, may be required to pay the bill and to reestablish credit by making a deposit under this rule.

(k) Establishment of credit by deposit shall not relieve a customer from complying with the commission's rules for prompt payment of bills. (*Indiana Utility Regulatory Commission; 170 IAC 4-1.2-4*)

170 IAC 4-1.2-5 Disconnection and prohibited disconnections

Authority: IC 8-1-1-3; IC 8-1-2-34.5; IC 8-1-2-122

Affected: IC 8-1-2-4

Sec. 5. (a) Requirements for disconnection upon a customer's request are as follows:

(1) The customer shall notify the utility at least three (3) business days in advance of the day disconnection is desired. The customer shall remain responsible for all service used and the billing ~~therefor~~ therefore until the date the customer has requested disconnection pursuant to the notice.

(2) Upon request by a customer to a utility to disconnect service in fewer than three (3) business days, the utility

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shall disconnect the service within three (3) business days of the request. The customer shall not be liable for any service rendered to the address after the expiration of the three (3) days, unless the customer takes steps to stop disconnection of service.

(3) The customer shall not charge service or authorize the charging of service to any account that has been disconnected at the customer's request or otherwise. A customer shall be responsible for any services he or she charges or authorizes charged to the disconnected account in violation of the prohibition in this subdivision.

(b) Requirements for disconnection without a customer's request are as follows:

(1) A utility may disconnect service without request by the customer of the service and without prior notice only:

(A) if a condition dangerous or hazardous to life, physical safety, or property exists;

(B) upon order by any court, the commission or other duly authorized public authority;

(C) if fraudulent or unauthorized use of service is detected and the utility has reasonable grounds to believe the affected customer is responsible for the use;

(D) if the utility's equipment has been tampered with and the utility has reasonable grounds to believe that the affected customer is responsible for the tampering; or

(E) if the utility's equipment is used in a manner disruptive to the service of other customers.

(2) A utility may disconnect service to a customer based on a delinquent account with the same class of service (such as residential service) for that customer.

(3) A utility may disconnect service to a customer for failure to satisfy a deposit charge pursuant to Sec. 4-1.2-4.

(4) A utility may disconnect service and/or refuse to provide service to a member of the same household of a customer or former customer who has a delinquent account for the same class of service that is not in dispute, as long as the member of the household lived at the same premise served by the utility at the time that all or part of the debt was incurred.

(c) Requirements for prohibited disconnections are as follows:

(1) Except as otherwise provided in subsections (a) and (b), a utility shall postpone the disconnection of electric service for ~~thirty (30)~~ ten (10) days if, before the disconnect date specified in the disconnect notice, the customer provides the utility with a medical statement from a licensed physician or public health official that states that disconnection would be a serious and immediate threat to the health and safety of a designated person in the household of the customer. The postponement of disconnection shall be continued for one (1) additional ten (10) day period upon the provision of an additional medical statement to the utility. The utility shall be required to provide the customer a total of ~~forty (40)~~ twenty (20) days postponement of disconnection for medical reasons under this subsection only once in any twelve (12) month period per household. Further postponement of disconnection may be made at the utility's discretion.

(2) A utility may not disconnect electric service to the customer for any of the following reasons:

(A) Nonpayment of any nonutility or unregulated utility services.

(B) Upon the customer's failure to pay for services to a previous occupant of the premises being served unless the utility has reasonable grounds to believe that the customer is attempting to defraud the utility. Reasonable basis that the customer is attempting to defraud the utility includes, but is not limited to, a situation where the previous occupant is still living in the premises being served.

(C) On the basis of the delinquent character of an account of any other person, except if the customer is the guarantor of that other person's account for electricity service, and except as provided in Section 5 (b)(4) above.

(D) If the customer makes payment arrangements under section 6 of this rule.

(E) If a customer is unable to pay a bill that is unusually large due to prior incorrect billing, incorrect application of the rate schedule, prior estimates where no actual reading was taken for over two (2) months, or any human or mechanical error of the utility, and the customer:

(i) makes a payment arrangement in accordance with the guidelines set forth in section 6 of this rule; and

(ii) agrees to pay all undisputed future bills for electric service as they become due, provided, however, that

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the utility may not add to the outstanding bill any late fee and, provided further, that the payment arrangement agreement in item (i) and this item shall be put in writing by the utility and sent by mail~~provided~~ to the customer.

(d) No utility may disconnect service unless the disconnecting is done between the hours of 8 a.m. and 3 p.m., prevailing local time. Disconnections under subsections (a) and (b) are not subject to this limitation. The utility may not disconnect service for nonpayment:

- (1) on any:
 - (A) Friday after noon;
 - (B) Saturday;
 - (C) Sunday; or
 - (D) other day the utility's offices are not open for business; or
- (2) after noon on any day immediately before a day the utility's office are not open for business.

(e) Requirements for notice required before involuntary disconnection are as follows:

- (1) Except as otherwise provided in this section, service to any customer shall not be disconnected for a violation of any rule of the utility or for nonpayment of a bill, except after fourteen (14) days from the postmark date of a written notice sent to the customer at the address shown on the records of the utility or the notice is personally served upon the customer or a responsible member of the customer's household. No disconnect notice for nonpayment may be rendered before the date on which the account becomes delinquent.
- (2) The disconnection notice shall be in language that is clear, concise, and easily understandable to a layperson and shall state, in separately numbered large print paragraphs, the following information:
 - (A) The date of the proposed disconnection.
 - (B) The specific reason and factual basis for the proposed disconnection.
 - (C) The telephone number of the utility office at which the customer may call during regular business hours to question the proposed disconnection or seek information concerning the customer's rights.
 - (D) The local and toll-free telephone numbers and office hours of the commission.
 - (E) That the customer may refer to the pamphlet furnished under 170 IAC 4-1-18 for information as to the customer's rights.
 - (F) Information as to the customer's rights, under this rule, including, but not limited to, the following:
 - (i) That the customer may obtain a temporary waiver of disconnection for a serious illness or medical emergency under subsection (e).
 - (ii) That the customer may file a complaint with the utility.
 - (iii) That if the complaint is not resolved by the utility to the customer's satisfaction, the customer may file a complaint with the commission.
 - (iv) That the customer may make payment arrangements under section 6 of this rule.

(f) Utility employees conducting disconnections of service shall follow the following procedures:

- (1) Immediately preceding the actual disconnection of service, the employee of the utility designated to perform the function shall make a reasonable attempt to identify himself or herself to the customer or any other responsible person then upon the premises and shall announce the purpose of his or her presence and shall make a record thereof to be maintained for at least thirty (30) days.
- (2) The employee shall have in his or her possession information sufficient to enable the employee to inform the customer or other responsible person the reason for the disconnection, including the amount of any delinquent bill of the customer, and shall request from the customer any available verification that the outstanding bill has been satisfied or is currently in dispute and under review by the utility or the commission. Upon the presentation of such credible evidence, service shall not be disconnected.
- (3) The employee shall not be required to accept payment from the customer, user, or other responsible person in order to prevent the service from being disconnected. The utility shall notify the customers under 170 IAC 4-1-18 of its policy with regard to the acceptance or nonacceptance of payment from the employee and shall uniformly follow the policy without discrimination.

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(4) When the employee has disconnected the service, the employee shall give to a responsible person at the customer's premises, or if no one is at home, shall leave at a conspicuous place on the premises, a notice stating that service has been disconnected and stating the address and telephone number of the utility where the user may arrange to have service reconnected.

(g) If a utility disconnects service in violation of this rule, the service shall immediately be restored at no charge to the customer. (*Indiana Utility Regulatory Commission; 170 IAC 4-1.2-5*)

170 IAC 4-1.2-6 Payment arrangements and reconnection of service

Authority: IC 8-1-1-3; IC 8-1-2-34.5; IC 8-1-2-121; IC 8-1-2-122

Affected: IC 8-1-2; IC 32-34-1-20

Sec. 6. (a) Except in cases where fraudulent or unauthorized use of utility service is detected and the utility has reasonable grounds to believe the customer is responsible for the use, when a residential customer cannot pay an undisputed bill or the undisputed portion of a disputed bill in full, the utility shall continue to serve the customer ~~or reconnect the customer if the customer and the utility agree on a reasonable portion of the outstanding bill to be paid immediately, and agree to a payment arrangement for the remainder of the outstanding bill as described herein.~~ The manner in which the balance of the outstanding bill will be paid (the "payment arrangement") shall be made in accordance with the following guidelines:

(1) The customer shows ~~just cause for his or her inability to pay (financial hardship shall constitute just cause), and the customer pays a reasonable portion of the amount, not to exceed one-third (—) (1/3) of all amounts due (unless the customer agrees to a greater portion) and the customer:~~

(A) agrees to pay:

(i) the remainder of the outstanding bill within 3 months, or longer if mutually agreed upon by the utility and the customer the balance of all amounts due in equal monthly installments; and

(ii) all undisputed future bills for utility service as they become due; and

(B) has not breached any similar agreement with the utility made under this section in the last twelve (12) months.

(2) In deciding on the reasonableness of a particular payment arrangement, the utility shall act in a reasonable and nondiscriminatory manner, consider the following:

(A) ~~The customer's ability to pay.~~

(B) ~~The size of the unpaid balance.~~

(C) ~~The customer's payment history and length of service.~~

(D) ~~The amount of time the debt has been and the reasons why the debt is outstanding.~~

(3) The payment arrangement shall provide the customer with adequate opportunity to apply for and receive the benefits of any available public assistance program.

(4) The payment arrangement is subject to amendment upon mutual agreement of the utility and customer, the customer's request if there is a change in the customer's financial circumstances.

(5) The utility may add to the outstanding bill a late payment charge not to exceed the amount set under 170 IAC 4-1-13(c); however, only one (1) late payment charge may be assessed against the charges applicable to any given month.

(b) The terms of any payment arrangement made under this section shall be put in writing by the utility and sent by mail sent to the customer.

(c) If the customer does not meet any of the conditions in subsection (a), the utility may, but is not obligated to, enter into subsequent payment arrangements with the customer.

(d) The utility shall reconnect service to a customer as soon as reasonably possible but at least within one (1) working day after the utility is requested to do so if the customer has satisfied the requirements of this rule.

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(e) A utility may charge a reasonable reconnection charge not to exceed the charge approved by the commission in the utility's filed tariffs. A utility shall inform its customers of the reconnection fee under 170 IAC 4-1-18.

(f) Notwithstanding any other provision of this rule, from December 1 to March 15 of any year, any customer of any electric utility shall be reconnected as soon as possible upon:

- (1) paying twenty percent (20%) of the amount past due;
- (2) paying twenty percent (20%) of any deposit required by the utility; and
- (3) entering into a payment arrangement for the balance of past due amounts.

The utility shall allow the customer a minimum of three (3) months or until March 15, whichever is later, to retire the past due balance and the remainder of the deposit. The customer shall also be informed that payment on the amounts past due and the deposit, if any, plus the current bills must be paid by the due date or the customer may face termination of service, subject to the winter moratorium described in section 7(b) of this rule.

(g) No later than September 15 of each year, every public utility shall conduct a survey of all customers whose electric service was used to provide or control the primary source of space heating in the dwelling and whose electric service was terminated for nonpayment of a bill or deposit from December 1 of the previous year to September 1 of the current year and where service at that premises has not been restored. Not later than October 15 of each year, the utility shall notify each of these customers that the electric service will be restored by the company for the coming heating season if the former customer contacts the utility and makes arrangements to pay the past due balance and any deposit required by the utility under the conditions set forth in this rule. A utility shall notify the former customer or an adult member of the household by personal visit, telephone contact, or mailing of a letter by first class mail to the last known address of that customer. The utility shall keep records that indicate the date, form, and results of the contact. The commission may request the utility to report the results of customer contacts made under this subsection. *(Indiana Utility Regulatory Commission; 170 IAC 4-1.2-6)*

170 IAC 4-1.2-7 Home energy assistance; disconnection of service to recipients; notice period

Authority: IC 8-1-1-3; IC 8-1-2-34.5; IC 8-1-2-121; IC 8-1-2-122

Affected: IC 12-14-11

Sec. 7. (a) Without a customer's request, a utility may not, during the period from December 1 through March 15, disconnect electric residential service to any customer who either is:

- (1) receiving; or
- (2) eligible for and has applied for;

assistance under IC 12-14-11.

(b) During the period from December 1 through March 15, a utility may not disconnect service to such customers if:

- (1) the customer's eligibility to receive benefits under IC 12-14-11 is being determined by the division of family and children or its designee after the submission of a complete application for benefits by the customer; or
- (2) the customer has furnished to the utility proof of his or her application to receive such benefits or the utility has been so notified in writing by the division of family and children or its authorized representative.

(c) This section does not prohibit a utility from terminating residential electric service upon the request of a customer or under any of the following circumstances:

- (1) If a condition dangerous or hazardous to life, physical safety, or property exists.
- (2) Upon order by any court, the commission, or other duly authorized public authority.
- (3) If fraudulent or unauthorized use of service is detected and the utility has reasonable grounds to believe the affected customer is responsible for the use.
- (4) If the utility's equipment has been tampered with and the utility has reasonable grounds to believe that the affected customer is responsible for the tampering.
- (5) If the utility's equipment is used in a manner disruptive to the service of other customers.

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(Indiana Utility Regulatory Commission; 170 IAC 4-1.2-7)

170 IAC 4-1.2-8 Customer complaints to the utility

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2

Sec. 8. (a) An applicant or customer may complain at any time to a utility about any bill, security deposit, disconnection notice, or any other matter relating to installation or service and may request a conference with the utility thereon. The complaints may be made in person, by telephone, in writing, or by completing a written or electronic form available from the utility. A complaint shall be considered filed upon receipt by the utility, except mailed complaints shall be considered filed two (2) calendar days after the postmark date. In making a complaint or request for conference, the applicant or customer shall state, at a minimum, his or her name, service address, telephone number, and the general nature of his or her complaint.

(b) Upon receiving each such complaint or request for conference, the utility shall take the following actions:

(1) ~~Immediately~~ Promptly notify an applicant or customer that any undisputed portion of a bill shall be paid by the date due in order to avoid disconnection of service in accordance with section 5 of this rule.

(2) Promptly, thoroughly, and completely investigate the complaint in good faith, attempt to confer with the applicant or customer when requested, and notify the applicant or customer of the utility's proposed disposition of the complaint. During the investigation, no collection action shall be taken for items that are being disputed, and there shall be no negative impact on the applicant or customer's credit rating.

(3) Without the applicant or customer's permission, the utility shall not disconnect, remove, or restrict any service that is the subject matter of the complaint while investigating the complaint or making a good faith attempt to resolve the complaint.

(4) Charges that are disputed by the applicant or customer shall not be treated as delinquent while an investigation is pending.

(5) After investigation, the utility may rebill the disputed charges in the next billing cycle if the investigation determined that the charges were appropriate; however, the utility shall not assess any late payment charge that may have accrued while the investigation was pending.

(6) If the utility's proposed disposition is not in the applicant or customer's favor, the utility shall notify the applicant or customer of the disposition in writing if the complaint was made in writing. If the utility's proposed disposition is not in the applicant or customer's favor, the utility shall notify the applicant or customer in writing or orally, if the complaint was made orally. The notification shall include contact information for the commission, including the commission's mailing address, toll-free complaint number, and local telephone number. A utility shall direct its personnel engaged in contact with an applicant or customer to inform the applicant or customer, if he or she expresses dissatisfaction with the decision of the personnel, of the right to have the problem considered and acted upon by supervisory personnel of the utility. A utility shall further direct the supervisory personnel to notify the applicant or customer who expresses dissatisfaction with the decision of the supervisory personnel of the right to have the problem reviewed by the commission's consumer affairs division and shall furnish him or her the business address and telephone number of the commission. The notification shall advise the applicant or customer that if he or she is dissatisfied with the utility's disposition, the applicant or customer may, within twenty-one (21) days, file a complaint with the commission's consumer affairs division (under section 9 of this rule). The payment of a deposit as requested by the utility shall not foreclose or in any manner affect the applicant or customer's right to appeal under IC 8-1-2-34.5 or other applicable law.

(c) If at any time the applicant or customer files a complaint with the commission regarding a dispute with a utility, the procedures set forth in section 9 of this rule shall apply. Any disconnection of the applicant or customer's service shall be governed by section 5 of this rule.

(d) A utility shall retain a written record of complaints and requests for conferences for at least eighteen (18) months after the complaint or request for conference is made. The records shall be maintained at the office or

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branch office of the utility or in the respective department office thereof where the complaints were received or any conferences were subsequently held. The ~~written~~ records are to be readily available upon request by the:

- (1) concerned applicant or customer;
- (2) applicant or customer's agent possessing written authorization; or
- (3) commission.

(e) A utility shall, at the request of the commission, submit a report covering the previous twelve (12) month period to the commission that shall state and classify the following:

- (1) The number of complaints made to the utility under this rule.
- (2) The general nature of the subject matter thereof.
- (3) How the complaint was received.
- (4) Whether a commission review was conducted thereon.

(Indiana Utility Regulatory Commission; 170 IAC 4-1.2-8)

170 IAC 4-1.2-9 Customer complaints to the commission

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2-88

Sec. 9. (a) An individual or entity may informally complain to the commission's consumer affairs division with respect to any matter within the jurisdiction of the commission. The complaints may be made in person, by telephone, in writing, or by completing a written or electronic form available from the consumer affairs division. A complaint shall be considered filed upon receipt by the commission, except mailed complaints shall be considered filed as of the postmark date. In making a complaint, the applicant or customer shall state, at a minimum, the following:

- (1) His or her name.
- (2) The service address.
- (3) His or her telephone number.
- (4) The name of the utility involved.
- (5) The general nature of his or her complaint.

(b) Without the applicant or customer's permission, the utility shall not disconnect, remove, or restrict any service that is the subject matter of the complaint while any commission review or investigation of the complaint is pending. The applicant or customer shall continue to pay all undisputed charges. In those instances when the applicant or customer and the utility cannot agree as to what portion of a bill is undisputed, the applicant or customer shall pay on the disputed bill an amount equal to the applicant or customer's average bill for the twelve (12) months immediately preceding the disputed bill. In those cases where the applicant or customer has received fewer than twelve (12) bills, the applicant or customer shall pay an amount equal to one-twelfth ($\frac{1}{12}$) of the estimated annual billing for service to be rendered to the applicant or customer.

(c) If the applicant or customer is dissatisfied with a utility's notice of the utility's proposed disposition of the complaint as provided in section 8 of this rule, the applicant or customer may, within twenty-one (21) days after the postmark date of the notice, file an informal complaint with the commission's consumer affairs division.

(d) Upon receiving an informal complaint, the following actions shall be taken:

- (1) The utility shall be notified that a complaint has been made.
- (2) The complaint shall be investigated.
- (3) The applicant or customer and the utility shall be notified of the decision made on the complaint in accordance with applicable law.

(e) Requirements for an informal review are as follows:

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(1) The applicant or customer or the utility may make a written request that a decision made under subsection (d) be reviewed informally by the consumer affairs director or designee. The written request shall be made within fourteen (14) days of the decision. The records of the commission relating to the reviews shall be kept in a systematic order.

(2) Upon receiving a request for an informal review, the consumer affairs director or designee shall provide an informal review in a timely manner. The review shall consist of not less than a prompt and thorough investigation of the dispute and shall result in a written decision to be mailed to the applicant or customer and the utility. Upon request by either party or the consumer affairs director or designee, the parties shall be required to meet and confer to the extent and at a place the consumer affairs director or designee considers appropriate.

(f) The applicant or customer may make a written request that the commission investigate the disposition of the informal review. The written request shall be made within twenty (20) days of the consumer affairs division's notice of disposition. Before entering an order upon a commission investigation, the commission shall afford the applicant or customer and the utility notice and an opportunity to be heard.

(g) Without the applicant or customer's permission, the utility shall not disconnect, remove, or restrict any disputed service until at least twenty (20) days have elapsed from the postmark date of the consumer affairs division's disposition or the commission's order upon investigation, if any.

(h) The time frames provided in this section may be extended at the discretion of the consumer affairs division.
(*Indiana Utility Regulatory Commission; 170 IAC 4-1.2-9*)

170 IAC 4-1.2-10 Estimated bills

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2-4

Sec. 10. (a) Each estimated bill shall be clearly and conspicuously identified as such. Unless otherwise requested by a customer, estimated bills shall not be issued for more than three (3) consecutive months. After three (3) consecutive months of estimating the customer's bill, the utility shall secure an accurate reading of the meter. Failure on the part of the customer to comply with a reasonable request for meter access may lead to discontinuance of service.

(b) A utility or billing entity may not render a bill based on estimated usage if:

- (1) the billing would be the customer's first or final bill for service and the meter is readily accessible;
- (2) the customer has supplied meter readings to the utility on, or immediately preceding or immediately following, the customer's scheduled meter reading date; or
- (3) the customer has requested an actual meter read and the meter is readily accessible during the utility's normal meter reading cycle.

(c) When a utility or billing entity renders an estimated bill in accordance with this article, the utility or billing entity shall maintain accurate records of the reasons ~~therefor~~ therefore and efforts made to secure an actual reading.

(d) When a utility underestimates a customer's usage, the customer shall be given the opportunity to make payment arrangements as provided in this rule.

(e) A utility may estimate a bill because a meter malfunctioned or failed; provided that ~~If the time when the meter malfunction or error began cannot be reasonably determined to have occurred within a specific billing period, the corrected billings shall not exceed the most recent six (6) months before the discovery of the malfunction or error. If the time when the malfunction or error began can be reasonably determined, the corrected billings shall go back to that~~ the time of such malfunction or failure, but shall not exceed twelve (12)

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months.

(f) This section shall not apply to rural electric membership corporations. (*Indiana Utility Regulatory Commission; 170 IAC 4-1.2-10*)